

OREGON LABOR TRENDS

State of Oregon • Employment Division • Department of Human Resources

SEPTEMBER 1989

56415-2

10/11/89

INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas Adj.)

Aug.	1989	5.1
July	1989	5.2
Aug.	1988	5.9

United States (Seas Adj.)

Aug.	1989	5.2
July	1989	5.2
Aug.	1988	5.6

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)

Aug.	1989	127.8
July	1989	127.5
June	1989	127.2
May	1989	127.0
Apr.	1989	126.8

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

July	1989	\$10.98
June	1989	\$10.81
July	1988	\$10.69

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

July	1989	38.7
June	1989	39.7
July	1988	39.0

CONSUMER PRICE INDEX (CPI)

1982-84=100

ALL URBAN CONSUMERS

Portland-Vancouver

Jan.-June 1989	119.3
Yearly change	5.0%

Annual Average 1988	114.7
Yearly change	3.4%

United States

August 1989	124.6
Yearly change	4.7%

Annual Average 1988	118.3
Yearly change	4.1%

Portland Hotline 221-4132

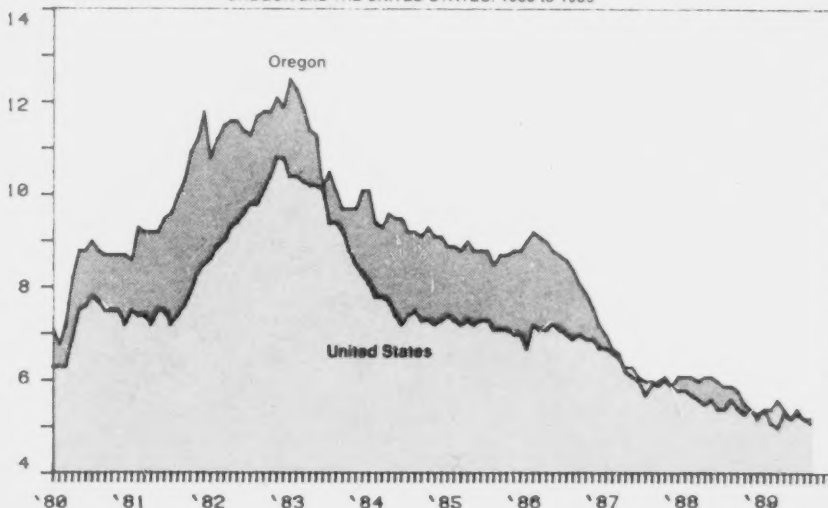
TEMPORARY HELP WORK FORCE SOARS DURING RECOVERY YEARS

Gary Sinciek

Economists across the country have been sifting through the latest data, searching for signs of the expected slowdown in growth. Their efforts have been frustrated, however, due to false alarms caused by large revisions of national economic indicators. Two months ago, **Oregon Labor Trends** cited several national indicators that suggested a slowdown, but have since been revised. For instance, new orders for big ticket consumer goods was initially reported to have grown by a paltry 0.3% in June; the revised rate of 1.4% was over four times the preliminary estimate. GNP growth, one of the most fundamental economic indicators, was revised upwards from an annual rate of 1.7% to 2.5% for the second quarter. In light of revisions such as these, continued monetary easing by the Federal Reserve is not as likely as once believed.

While some evidence supports the slower growth hypothesis in Oregon, the landing, so far, appears to be soft indeed. For example, employment has grown at less than half the rate seen during the last two years for the January to August period, but this fact is mitigated by the continued presence of low unemployment this year. Oregon's unemployment rate dropped 0.1 in August to 5.1%, the lowest seasonally adjusted rate since comparable records began in 1972. Rates such as this indicate that much of the slack in the labor force has been taken up. As reported last month, several industries have been experiencing difficulties in finding qualified workers. With this slack disappearing, employment growth is increasingly limited to growth in the labor force.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES*
OREGON and THE UNITED STATES: 1980 to 1989



*Civilian Labor Force Only

The slow growth scenario notwithstanding, Oregon still managed to add 10,300 nonfarm jobs in August. More significantly, the number of unemployed decreased by 8,300, the largest one month drop in over two years. Also, in a rare occurrence, Oregon's unemployment rate dipped below the national rate (5.2%), if only by 0.1.

Employment Highlights

Manufacturing, as a whole, did nearly as well as expected in August, adding 4,900 workers. Breaking this total down by industry, however, shows that virtually all of this change was due to canneries and fresh produce processors. Their employment increased by 5,000 as they hit their peak season in August.

Lumber and wood products, expected to increase by 300, instead dropped by that amount. Several mill cutbacks were responsible for this decrease. In the case of two mill sales, layoffs are expected to last only during the ownership transition period. Many of those laid off will probably be back to work soon. Two other mills, though, cutback employment for other reasons, putting hundreds out of work indefinitely. Veneer & plywood took the biggest drop, declining 300 to 16,600. Logging, although adding 200, remains at the lowest August level (12,900) since 1982.

High-tech industries provided much more positive news last month. Electrical and electronic machinery gained 300 jobs, pushing high-tech employment up to 33,000. The history of high-tech in Oregon has been uneven. For the last ten years, employment in high-tech has fluctuated between 29,000 and 34,000, without exhibiting much real growth. In recent years, though, this

industry group has developed a much broader base of firms. Large firms have spun off a multitude of smaller companies, and many foreign firms are now established in Oregon. A number of plants have come on-line in the past year, and it shows in the employment data. Electrical and electronic machinery has added 1,500 jobs since August 1988, over 50% of which were added in the last three months. While it is too early to tell whether this level of growth will be sustained, it is possible that high-tech may be poised to assume a greater role in Oregon manufacturing.

For the balance of manufacturing, August was a fairly typical month. Ship building and repair lost 400, but is expected to recover many of these jobs over the next few months as several new projects get underway. Printing and publishing gained 200, for a total of 13,800.

Although demand for housing seems to be cooling in much of the country, Oregon's construction boom continues unabated. Comparing the first half of 1989 with the first half of 1988, *U.S. Housing Markets* reported that building permits in the Portland metropolitan area were up 74.8%, the largest increase among the 53 major metropolitan areas surveyed. Despite talk of a dearth of qualified applicants, 1,000 workers were added to construction industry payrolls last month. Total construction employment now stands at 46,900, a level not seen since before the recession when high inflation caused a speculative explosion in housing.

Perhaps the most unexpected development in August was in trade, which added 3,200 jobs. An increase of 1,400 in wholesale groceries and related products was due in large part to a one

month statistical aberration caused by the fact that both striking Fred Meyer employees and replacement workers were counted in August. Retail trade was up 1,600, defying the conventional wisdom that the market is saturated and an industry shakeout is imminent. At 312,700, trade employment is already above last winter's holiday peak. By this winter, trade may be added to the growing list of industries displaying "Help Wanted" signs.

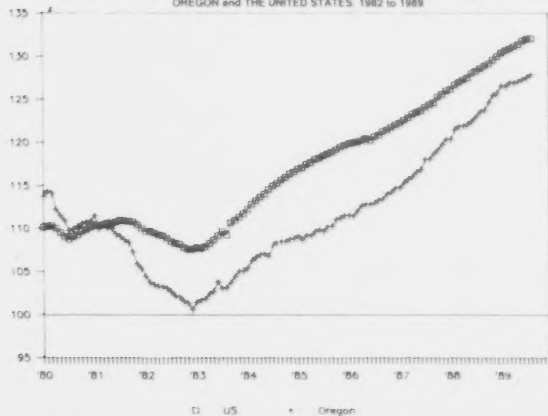
... employment in the temporary help supply industry has grown over five-fold since 1983.

Services continued its sluggish growth trend, adding 900, primarily in business services. Last month's **Oregon Labor Trends** emphasized the recent slowdown in service sector growth and cited the flat trend in the personnel supply industry. While the slowdown in personnel supply is undeniable, it comes on the heels of perhaps the most spectacular growth of any industry this decade. Beyond putting more people to work, this growth has had an impact on the structure of the labor force and the economy.

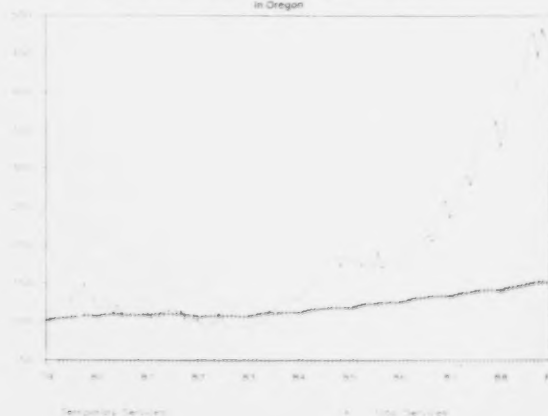
The Temporary Help Boom

As an accompanying graph shows employment in the temporary help supply industry has grown over five-fold since 1983. Employment in this industry averaged 12,000 in 1988, with most in clerical and light industrial occupations. When considering the total number of temporary employees in the work force, however, these figures understate the

SEASONALLY ADJUSTED NON-AG WAGE & SALARY EMPLOYMENT INDEXES
OREGON and THE UNITED STATES, 1982 to 1989



TEMPORARY SERVICES EMPLOYMENT GROWTH
in Oregon



RESIDENT OREGON LABOR FORCE

	AUG. ¹ 1989	JUL. ² 1989	CHANGE	%CHANGE	AUG. ³ 1988
CIVILIAN LABOR FORCE ¹	1,452,800	1,481,000	-28,200	-1.9	1,432,900
UNEMPLOYMENT	69,000	77,300	-8,300	-10.7	78,900
PERCENT OF LABOR FORCE	4.7	5.2	XXX	XXX	5.5
SEASONALLY ADJUSTED PERCENT	5.1	5.2	XXX	XXX	5.9
TOTAL EMPLOYMENT ¹	1,383,800	1,403,700	-19,900	-1.4	1,354,000

¹Preliminary

²Revised

³Includes employed and unemployed individuals 16 years and older. Data are adjusted for multiple job holding and commuting.

⁴Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.

⁵Due to revised estimating procedures between December 1988 and January 1989, data for 1989 and that of previous years are not strictly comparable.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK)

INDUSTRY	AUG. ¹ 1989	JUL. ² 1989	AUG. 1988	JUL. 1989	CHANGE FROM AUG. 1988
TOTAL	1,202,800	1,192,500	1,162,600	10,300	40,200
WAGE & SALARY EMPLOYMENT INDEX ¹	127.8	127.5	123.5	XXX	XXX
TOTAL MANUFACTURING	230,000	225,100	225,000	4,900	5,000
DURABLE GOODS	162,500	163,000	159,200	-500	3,300
LUMBER & WOOD PRODUCTS	70,000	70,300	69,700	-300	300
LOGGING & SAWMILLS	35,900	36,000	35,600	-100	300
VENEER & PLYWOOD	16,600	16,900	17,000	-300	-400
MILLWORK & STRUCTURAL WOOD	11,000	11,000	10,900	0	100
MOBILE HOMES	1,900	1,800	1,800	100	100
OTHER WOOD PRODUCTS	4,600	4,600	4,400	0	200
FURNITURE AND FIXTURES	2,900	2,800	2,700	100	200
STONE, CLAY, GLASS & CONCRETE	4,700	4,600	4,500	100	200
PRIMARY METALS	11,300	11,500	10,500	-200	800
BLAST FURNACES, IRON & STEEL	6,800	6,800	6,000	0	800
NONFERROUS METALS	4,500	4,700	4,500	-200	0
FABRICATED METALS	11,200	11,200	11,300	0	-100
FABRICATED STRUCTURAL METALS	4,700	4,700	4,700	0	0
OTHER FABRICATED METALS	6,500	6,500	6,600	0	-100
MACHINERY	18,700	18,800	17,300	-100	1,400
ELECTRICAL EQUIPMENT & SUPPLIES	17,200	16,900	15,700	300	1,500
TRANSPORTATION EQUIPMENT	11,500	11,800	11,700	-300	-200
INSTRUMENTS & RELATED PRODUCTS	11,300	11,400	11,900	-100	-600
MISCELLANEOUS MANUFACTURING	3,700	3,700	3,900	0	-200
NONDURABLE GOODS	67,500	62,100	65,800	5,400	1,700
FOOD & KINDRED PRODUCTS	31,500	26,500	31,300	5,000	200
CANNING & PRESERVING	19,700	14,700	19,900	5,000	-200
OTHER FOOD PRODUCTS	11,800	11,800	11,400	0	400
TEXTILE MILL PRODUCTS	1,700	1,700	1,800	0	-100
APPAREL	2,600	2,500	2,700	100	-100
PAPER & ALLIED PRODUCTS	9,400	9,400	8,600	0	800
PRINTING & PUBLISHING	13,800	13,600	13,500	200	300
CHEMICALS & ALLIED PRODUCTS	2,400	2,400	2,300	0	100
PETROLEUM REFINING	600	600	600	0	0
RUBBER & PLASTIC PRODUCTS	5,000	4,900	4,600	100	400
LEATHER PRODUCTS	500	500	400	0	100
TOTAL NONMANUFACTURING	972,800	967,400	937,600	5,400	35,200
MINING & QUARRYING	1,700	1,700	1,400	0	300
CONSTRUCTION	46,900	45,900	43,100	1,000	3,800
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	63,700	63,400	61,600	300	2,100
TRANSPORTATION	41,700	41,300	39,900	400	1,800
RAILROAD	3,900	3,900	3,900	0	0
TRUCKING & WAREHOUSING	23,400	23,300	22,500	100	900
OTHER TRANSPORTATION	14,400	14,100	13,500	300	900
COMMUNICATIONS	13,000	13,000	12,800	0	200
UTILITIES	9,000	9,100	8,900	-100	100
TRADE	312,700	309,500	297,900	3,200	14,800
WHOLESALE TRADE	80,200	78,600	74,000	1,600	6,200
DURABLE GOODS	46,500	46,200	43,300	300	3,200
NONDURABLE GOODS	33,700	32,400	30,700	1,300	3,000
RETAIL TRADE	232,500	230,900	223,900	1,600	8,600
GENERAL MERCHANDISE	29,200	28,800	28,100	400	1,100
FOOD STORES	40,200	40,000	37,900	200	2,300
AUTO DEALERS & SERVICE STATIONS	28,700	28,900	28,700	-200	0
OTHER RETAIL TRADE	134,400	133,200	129,200	1,200	5,200
FINANCE, INSURANCE, & REAL ESTATE	76,500	75,900	74,800	600	1,700
BANKING & CREDIT AGENCIES	23,700	23,500	23,900	200	-200
OTHER FINANCE, INSURANCE, & REAL ESTATE	52,800	52,400	50,900	400	1,900
SERVICES	273,500	272,600	263,900	900	9,600
HOTELS & PERSONAL SERVICES	29,700	29,400	29,500	300	200
HEALTH SERVICES	84,500	84,200	77,800	300	6,700
OTHER SERVICES	159,300	159,000	156,600	300	2,700
GOVERNMENT	197,800	198,400	194,900	-600	2,900
FEDERAL GOVERNMENT	33,000	33,000	33,000	0	0
STATE GOVERNMENT	56,600	56,400	56,400	200	200
EDUCATION	20,000	20,500	19,500	-500	500
OTHER STATE	36,600	35,900	36,900	700	-300
LOCAL GOVERNMENT	108,200	109,000	105,500	-800	2,700
EDUCATION	58,600	59,700	57,100	-1,100	1,500
OTHER LOCAL	49,600	49,300	48,400	300	1,200

LABOR MANAGEMENT DISPUTES

300 300 3,800 0 -3,500

¹Preliminary

²Revised

³Includes full and part time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self-employed, private household workers and armed forces excluded. Note: Estimated in cooperation with the U.S. Bureau of Labor Statistics and Employment and Training Administration. All data are based on the 1972 Standard Industrial Classification (SIC) codes as amended by the 1977 supplement.

⁴Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's Annual Average Employment (774,300) and that of 1977 (936,900).

case, as they include only those on the payrolls of temporary help agencies, and not those temporary status employees hired by firms directly. The significance of this explosion in temporary employment and its impact on the labor force is the focus of the remainder of this article.

After the last recession, employers became more wary of hiring full-time, permanent status workers. Having just experienced a period of protracted layoffs and facing an uncertain economic future, they were understandably reluctant to put themselves in a position where further layoffs might be necessary. What they needed was a more flexible, less expensive way to staff their enterprises. Enter the temporary employee.

Temporary help supply agencies specialize in providing employees to help firms meet seasonal or fluctuating staffing demands. The benefits to employers utilizing such services are manifold. Costs incurred in filling a position are greatly reduced, for example. Personnel time and expense spent on employee searches and interviews can be replaced with a call to a temporary agency. Unanticipated vacancies can be filled quickly, minimizing disruption of the work routine. Overstaffing is also less likely to be a problem, as temporary employees may be discharged when their help is no longer needed.

Another indisputable but controversial savings to firms employing temporary help concerns employee benefits. Workers on the payroll of temporary help agencies generally get far fewer benefits than their permanent status counterparts. Although some do provide holiday pay and limited vacation pay, many supply only those benefits

required by law, such as unemployment insurance, workers compensation, and FICA. Employer-paid health insurance, sick leave, or pensions are virtually unheard of. The savings represented by these foregone benefit payments can be substantial. A 1987 study by the U.S. Chamber of Commerce reported that employee benefits as a portion of payroll totaled 39%, 9% of which were legally required payments.

A firm using temporary help supplied by an agency may not see these savings though, since their fee covers both the employee's salary plus the agency's premium, which could negate any potential gain. Some firms may be unable to resist the temptation to realize these gains by directly hiring a more or less permanent crew of "temps" themselves. As medical insurance rates continue to skyrocket, this practice will undoubtedly become more commonplace.

In addition to women, younger workers are also disproportionately represented in the temporary labor force.

Employers may also hire temporaries with the intention of "shopping" for permanent workers. In today's litigious atmosphere, dismissing unsatisfactory employees may be more expensive in the short run than keeping them on the payroll. Job interviews cannot provide a complete picture of how an individual will work out. By choosing permanent status employees from an existing pool of temps, the employer has a much better idea of each candidate's work habits and skills.

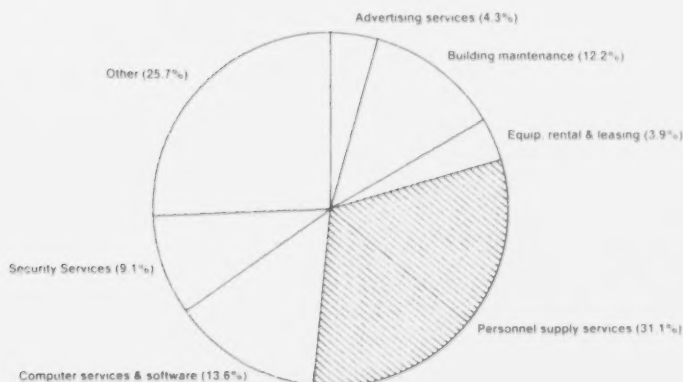
Certainly the advent of the temporary labor force has been a boon to employers, but what's in it for the temporary employees themselves? To answer that, a digression is necessary to identify who these workers are and what they do. While less than half of those employed in all industries are women, they comprise nearly two-thirds of those employed by temporary help agencies. This is due in part to the fact that a large portion of temp agency workers are in the field of administrative support, including clerical occupations which are predominantly held by women. According to a 1985 study by the Bureau of Labor Statistics, over 43% of temporary help agency workers are employed in these occupations nationwide. In addition to women, younger workers are also disproportionately represented in the temporary labor force. Those in the 16 to 24 age class account for 20% of the total employment in all industries, yet make up over 32% of those employed in temporary services.

What is it about youths and women that explains their increased tendency towards temporary employment? The answer is two-fold. First of all, both groups contain a relatively high proportion of new entrants to the labor force. Women have been increasing their labor force participation dramatically over the decade, as declining real wages and shifts in the traditional family structure have induced many to assume the role of primary or supplementary wage earner. Likewise, a sizable portion of those in the 16 to 24 age group will obviously be seeking employment for the first time. For these new entrants, working as a temporary can be a means of gaining valuable experience and sampling different occupations and work environments. Such experience may eventually be used as a stepping stone to permanent status employment, if desired.

Secondly, temporary employment can provide both groups with the rapid placement and flexibility they require. Students seeking work for the summer may incur lower job search costs by way of quick placement through a temporary agency. Some women may desire temporary or part-time employment in order to balance work with family life. Critics often point out that this flexibility comes at the dear cost of lower benefits, especially health insurance; it is important to remember, though, that many married women and younger workers may be covered under their spouse's or family's insurance plans. Clearly, both employers and employees can benefit from the flexibility offered by temporary employment.

EMPLOYMENT IN BUSINESS SERVICES, 1988

Oregon Statewide



Looking beyond the obvious costs and benefits of temporary employment, subtle but nevertheless significant effects on the labor force can be seen. Although the bond between employer and employee has never been as strong in the United States as in other parts of the world, the trend towards increased temporary employment threatens to weaken it further. Employees will tend to identify themselves by their occupation rather than their employer. A decline in company loyalty may translate into a decline in productivity, although to what extent is not yet clear.

Further fallout from this lack of mutual commitment is evidenced by less on-the-job training. By and large, employers use temps to do a specific job for a limited period of time, and have little incentive to invest in their development. Temporary employees, with few chances for advancement within a given company, have little incentive to learn. This situation, if left to its own, could create a stagnating labor pool. Research has shown that on-the-job learning has accounted for 55 percent of the productivity gains achieved over the last fifty years. Fortunately, some temporary agencies are moving towards providing their temps with some kinds of training and job skills development.

Research has shown that on-the-job learning has accounted for 55 percent of the productivity gains achieved over the last fifty years.

What, then, lies ahead for the temporary labor force? The following observations provide some clues. States with high rates of employment growth tend to have higher than average proportions of temporary help services employment. Nationally, the temporary services industry has grown disproportionately during times of expansion and recovery. In Oregon, the recession caused nonfarm wage & salary employment to decline by 9% from 1979 to 1982, but employment in temporary services dropped by a whopping 27% over the same period. The unsettling implication is that the temporary services industry and the temporary labor force as a whole may be highly elastic; or, in other words, "fair weather friends." Remember, temps are attractive to employers not only because they can be hired quickly and easily, but also because they can be let go quickly and easily. The true test of this trend's stability will undoubtedly come when the next recession hits. □

MINIMUM WAGE UPDATE

Tom Lynch

The legislative dust has settled and the final shape of Oregon's new minimum wage law can now be defined. If you have followed this issue or read the article in the May 1989 issue of **Oregon Labor Trends**, the final requirements of the new law have not changed significantly from those highlighted in that article. Basically, the requirements of the new minimum can be separated into:

DATES OF IMPLEMENTATION

September 1, 1989	\$3.85/hr.
January 1, 1990	\$4.25/hr.
January 1, 1991	\$4.75/hr.

CHANGES IN COVERAGE

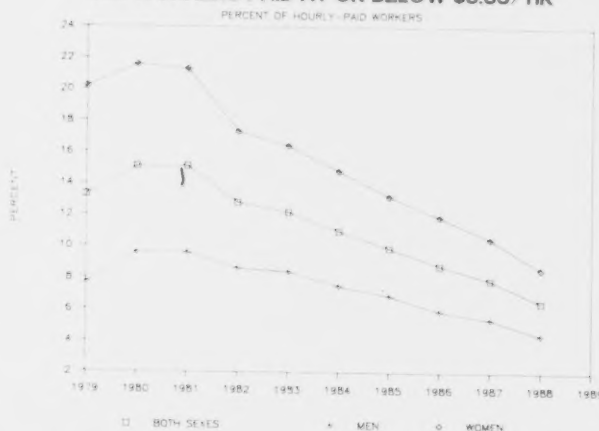
- **Student Workers** - The new law extends minimum wage coverage to college students who are working for post-high school educational institutions. It does not cover high school students who are working for primary or secondary educational institutions.
- **Live-in Caretakers** - If the purpose of the live-in caretaker is to be available for emergency or occasional duties then they must be paid the minimum wage for the hours that they actually perform these duties. The rest of their live-in time is exempt from the new minimum wage requirements.
- **All employers in Oregon** are now covered by the Oregon law. Since Oregon's new minimum hourly wage is now higher than the federal minimum wage, the National Fair Labor Standards Act exemption no longer applies in Oregon.

Along with the major changes mentioned above, the legislature took steps to "clean up" certain sections in the old law covering exceptions to the minimum wage law. Those items which were unchanged between the old and the new law but which were clarified as exceptions in the new law are:

1. Piece-rate work that is generally recognized as being paid on a piece-rate basis in the region of employment.
2. Casual domestic service in or about a family home.
3. Individuals employed in range production of livestock who are paid on a salary basis.
4. Administrative, executive, or professional workers who are paid on a salary basis, exercise discretion and independent judgment, and perform predominantly intellectual, managerial, or creative tasks.
5. Individuals who perform child care services in the home of the individual or in the home of the child. (These people are still covered by the Federal Fair Labor Standards Act as before.)

This article has been an attempt to provide our readers with an update of the changes in Oregon's minimum wage law. The full interpretation of these changes in the law await the "guiding hand" of the Oregon Bureau of Labor and Industries. If questions arise about these interpretations, readers are encouraged to contact the Bureau of Labor and Industries (ph. 229-5735) to obtain answers concerning the new law. □

U.S. WORKERS PAID AT OR BELOW \$3.35/HR



EMPLOYEE EARNINGS -- REGULAR WAGES VS. OTHER CASH PAYMENTS

Graham Slater

Oregon's Current Employment Statistics (CES) program (like all other states') provides estimates of average hourly and average weekly earnings in cooperation with the federal Bureau of Labor Statistics (BLS). These are summarized each month in **Oregon Labor Trends**. While these data provide valuable insights into changes in earnings levels and comparisons between different parts of the nation, they do have certain limitations. First, the data relate only to production or nonsupervisory employees, and therefore ignore many levels of supervisory, professional, management, and executive staff. Second, the earnings statistics measure only the regular wages paid to employees, with regular defined as "at least monthly." Therefore, quarterly or

annual bonuses, profit sharing, and employee awards are all examples of income which is not included in these data.

At a recent meeting of CES staff from many states and BLS staff, one presentation detailed a pilot study which sought to provide information on these two deficiencies. The test involved five states (not including Oregon) and roughly 4,000 employers. Data were collected on an annual basis, covering all major industry groups except mining and government. Questions were asked relating to the earnings of all employees (not just production workers) and the incidence and magnitude of "non-wage cash payments."

While the "all employee" portion was easily understandable to most respondents, the non-wage cash payment was not. This concept is defined as "a cash payment made by an employer directly to one or more employee(s) on the payroll, on a basis less frequent than each pay period." Non-wage cash payments include awards, bonuses, lump sum payments, cash profit sharing, commissions paid less often than monthly, and severance pay. However, payments-in-kind, health insurance, tips, or Christmas turkeys would not meet the definition.

Given that this pilot study was intended to investigate the availability of data rather than to provide detailed answers to the larger questions, it is not

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS¹

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	July ² 1989	June ³ 1989	July 1988	July ² 1989	June ³ 1989	July 1988	July ² 1989	June ³ 1989	July 1988
TOTAL MANUFACTURING ⁴	\$424.93	\$429.16	\$416.91	38.7	39.7	39.0	\$10.98	\$10.81	\$10.69
Durable Goods	430.62	437.49	426.80	38.9	40.1	39.3	11.07	10.91	10.86
Lumber & Wood Products	420.36	438.10	429.62	37.7	39.9	38.6	11.15	10.98	11.13
Logging & Sawmills	449.07	479.93	464.51	36.9	40.5	38.2	12.17	11.85	12.16
Veneer & Plywood	410.59	413.90	422.07	37.6	38.9	38.9	10.92	10.64	10.85
Millwork & Structural	357.70	359.99	349.77	39.7	39.3	39.3	9.01	9.16	8.90
Mobile Homes	340.10	352.52	314.71	38.0	39.3	37.2	8.95	8.97	8.46
Other Wood Products	411.05	430.56	411.29	39.6	41.4	39.7	10.38	10.40	10.36
Furniture & Fixtures	344.00	318.36	326.30	35.5	35.1	35.2	9.69	9.07	9.27
Primary Metals	504.15	506.04	498.04	41.7	42.1	42.1	12.09	12.02	11.83
Fabricated Metals	402.04	399.12	396.34	39.3	39.4	41.2	10.23	10.13	9.62
Machinery (Ex Electrical)	448.22	454.99	436.80	40.6	41.4	40.0	11.04	10.99	10.92
Nondurable Goods	410.65	404.25	390.02	38.2	38.5	38.2	10.75	10.50	10.21
Food & Kindred Products	322.27	336.77	319.18	37.0	38.4	37.2	8.71	8.77	8.58
Canning & Preserving	264.26	289.55	271.58	36.2	37.8	36.7	7.30	7.66	7.40
Other Food Products	419.77	406.50	403.01	38.3	39.2	38.2	10.96	10.37	10.55
Textile Mill Products	236.57	232.69	216.74	33.7	33.1	30.7	7.02	7.03	7.06
Apparel	221.39	256.32	206.64	33.8	38.2	31.5	6.55	6.71	6.56
Paper & Allied Products	668.80	623.42	647.92	41.8	40.8	44.5	16.00	15.28	14.56
Printing & Publishing	484.07	441.03	430.93	37.7	36.6	36.8	12.84	12.05	11.71
Construction ⁴	555.35	545.90	532.70	38.3	37.7	37.7	14.50	14.48	14.13
Communications & Utilities ⁵	551.40	547.72	542.25	41.9	41.4	42.1	13.16	13.23	12.88
Trade ⁵	330.15	321.20	318.44	35.5	34.8	35.7	9.30	9.23	8.92
Wholesale Trade	436.99	426.38	421.29	38.4	37.8	38.9	11.38	11.28	10.83
Retail Trade	275.19	265.93	266.66	34.1	33.2	34.1	8.07	8.01	7.82
Banking & Insurance ⁵	371.32	349.31	342.99	38.8	37.2	38.8	9.57	9.39	8.84
State & Local Government	422.23	381.71	401.32						

¹Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.

²Preliminary

³Revised

⁴Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.

⁵Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

surprising that the Bureau of Labor Statistics is not planning to release the results in a formal way. (Therefore, please do not contact BLS.) However, some informal, unpublished information provides interesting reading.

- Of the 2,638 firms which responded, 50% reported some non-wage cash payments to one or more employees during 1988. Production workers received such payments in 41% of the firms surveyed.
- Extra cash payments were most likely to occur in larger firms, with 64% of the "over-100 employee" firms reporting non-wage cash payments, compared with 39% in the 0-19 employee size class.
- In terms of industry differences, 61% of the finance, insurance, & real estate (FIRE) firms surveyed had made non-wage payments to one or more employees. Retail trade and construction recorded the lowest percentages at 43%. These figures were considerably lower when the question was limited to production workers -- comparable figures were 53% in FIRE, 34% in construction, and 32% in retail trade.
- Even though half the firms surveyed had provided some payments to their employees, these irregular payments accounted for only 3.2% of the total payroll. For production workers, non-wage cash made up 2.4% of total earnings.
- Financial (FIRE) firms appeared most likely to give some kind of bonus to employees, but these bonuses made up only 3.2% of the industry's total payroll. The highest percentage came in wholesale trade where non-wages accounted for 7.1% of total earnings, while these extra payments provided only 1.0% of services employees' earnings.

From a survey management point of view, the pilot test provided valuable information which will be used in any future efforts. Level of respondents' understanding, availability of and willingness to provide the data requested, and reliability of the data are all being analyzed by BLS staff.

Readers with further questions are welcome to contact the author, though no similar data exists for Oregon at this time. However, it is highly likely that some research will take place on this subject during the next year, either in conjunction with future efforts by BLS or as a "stand-alone" state project. Results of such research will appear in this publication. □

NEW LMI PUBLICATION

We've done it again! The **1989 Oregon Industrial Outlook** publication contains a wealth of information and analysis on population, labor force, income, industry, and occupational trends in Oregon. A major focus of this publication is a detailed look at over 300 specific industries at the 3-digit Standard Industrial Classification (SIC) level. This information includes payroll, size of firm data, occupational structure, number of firms and wage and salary employees by industrial sector (1982-1987), the geographical distribution of employment throughout the state, and each industry's 1994 projected employment level.

This second edition of the publication provides updated and new information compared with the 1986 version, and is

published in support of the efforts being made to expand and diversify Oregon's economy.

If you are not already on our mailing list and would like to receive a copy of the **1989 Oregon Industrial Outlook**, please contact:

Employment Division - R&S
875 Union Street NE
Salem, Oregon 97311
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And finally, to all users of this new publication, we would appreciate your taking a few moments to complete the Oregon Industrial Outlook Evaluation form at the back of the book. Your comments will be of great value to use in preparing any future editions. □

STATE OF OREGON UNEMPLOYMENT RATES BY AREA

August 1989

	Civilian Labor Force	Total Employment	Unemployment	Rate ¹
State of Oregon	1,452,800	1,383,800	69,000	4.7
Eugene MSA ²	142,800	136,100	6,700	4.7
Medford MSA ³	71,460	67,260	4,200	5.9
Portland PMSA ⁴	659,300	632,500	26,800	4.1
Salem MSA ⁵	140,000	133,800	6,200	4.4
Baker	7,150	6,770	380	5.3
Benton	35,860	34,750	1,110	3.1
Clatsop	18,480	17,530	950	5.1
Columbia	16,320	15,190	1,130	6.9
Coos	27,320	25,300	2,020	7.4
Crook	6,930	6,550	380	5.5
Curry	9,510	9,070	440	4.6
Deschutes	38,290	36,350	1,940	5.1
Douglas	45,340	42,560	2,780	6.1
Gilliam	920	890	30	3.3
Grant	4,390	4,220	170	3.9
Harney	4,270	4,090	180	4.2
Hood River	10,040	9,030	1,010	10.1
Jefferson	7,370	7,090	280	3.8
Josephine	26,560	24,880	1,680	6.3
Klamath	25,240	23,700	1,540	6.1
Lake	4,420	4,140	280	6.3
Lincoln	20,900	20,030	870	4.2
Linn	42,060	39,810	2,250	5.3
Malheur	16,200	15,560	640	4.0
Morrow	4,230	3,750	480	11.3
Sherman	740	700	40	5.4
Tillamook	9,310	8,820	490	5.3
Umatilla	31,400	28,880	2,520	8.0
Union	11,440	10,890	550	4.8
Wallowa	4,290	4,150	140	3.3
Wasco	9,740	8,950	790	8.1
Wheeler	600	570	30	5.0

¹Not Seasonally Adjusted

²Lane County

³Jackson County

⁴Clackamas, Multnomah, Washington, Yamhill counties

⁵Marion and Polk counties

EMPLOYERS' CORNER . . . TAXING MATTERS

Dorothy Monnier

Oregon has enacted a system of combined tax reports that is to be effective with the quarterly reports for the first quarter of 1990. The new forms combine the Department of Revenue quarterly and semi-annual withholding (WY and WS), Tri-Met payroll (TM), and Lane Transit District (LTD) tax forms, and the Employment Division Employer's Tax Report (136) and Employee Detail Report (132). A packet containing these forms and instructions will be sent to all subject Oregon employers in February 1990.

A single account number will be assigned to each employer, representing all of the tax programs included in the combined form.

The new report will be due on or before the last day of the month following the quarter to which the report relates. It must be accompanied by payment of any tax due and a combined tax payment coupon. The employer indicates on the coupon the amount of the total payment and the portions of the payment to be paid to each of the tax programs. If the employer fails to allocate the payments on the coupon, the payment is allocated to the proper tax programs on the basis of the percent-

age the payment bears to the total amount due. The coupons will be sent to employers in December 1989.

Employers submit the reports to the Department of Revenue. The Department of Revenue distributes the neces-

sary tax-payment information to each of the participating agencies.

Oregon has taken a step to make the process of reporting and paying taxes easier for employers. □

JSEC SEMINARS FOR EMPLOYERS

DEALING WITH DIFFICULT PEOPLE

O'Callahan's Restaurant
Located inside Nendel's
Corvallis, Oregon
October 3...7:30 a.m. to 1:00 p.m.
Call Sue Hankins, phone 967-2171

Chumaree Comfortel
Salem, Oregon
October 12...8:00 a.m. to 12:00 noon
Call Joyce Wilson, phone 378-6394 or
Laverna Bauguess, 472-5118

UNEMPLOYMENT INSURANCE

Stuart Anderson's Black Angus
Eugene, Oregon
October 26...8:30 a.m. to 4:00 p.m.
Call Phyllis Coggins, phone 726-2518.

DEVELOPING PERSONNEL POLICIES AND EMPLOYEE HANDBOOKS

Forest Products Federal Credit Union
Shasta Way Branch (Upstairs)
Klamath Falls, Oregon
October 5...9:30 a.m. to 1:00 p.m.
Call Mark Woods, phone 883-8134

LMI LABOR MARKET INFORMATION

STATE OF OREGON

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